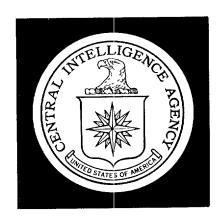
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DIRECTORATE OF INTELLIGENCE

WEEKLY SUMMARY

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Vietnam

Hanoi Assembly Meets

The North Vietnamese National Assembly met in Hanoi "recently," according to the Vietnamese news service. Convening of the assembly is an unusual event, and the latest session could have important implications for the course of the war.

The assembly is supposed to meet twice a year, but it has never done so. It rarely convenes, in fact, unless the leadership is seeking a legislative rubber stamp for a new policy decision. It met briefly last September to commemorate Ho Chi Minh's death, but its most recent substantive session was in May 1968, just after the Paris talks opened. Before then it met in April 1966, after the leadership had engaged in a lengthy review of the problems posed by increased US participation in the war, and in April 1965, when the bombing of North Vietnam began.

Not all the public pronouncements from the most recent session are available yet, and analysis of the meeting's purpose is necessarily somewhat speculative. Most of the statements at hand seem to be pretty standard fare—certainly nothing that would justify calling the assembly into session. There are a few hints, however, that the meeting was held to endorse a more militant line on the war. This comes through most clearly in some passages of the report delivered by Pham Van Dong. The recent period of relative ease for the North Vietnamese people, Dong seems to be saying, is now over, and they must once again expect to make heavy sacrifices in support of an even larger effort in the south.

Neither the depth nor the direction of this commitment to a more militant line is yet clear. Some of its fruits—the capture of Attopeu and

Saravane in Laos, and continued pressure in several parts of Cambodia—are already visible. On the other hand, there is no firm evidence that the Communists intend to abandon the low-risk, small-unit tactics within South Vietnam that they have followed for almost two years. The level of activity may rise, however. The Communists probably do think there may be a favorable opportunity to test South Vietnamese forces in a major engagement in Cambodia, and they no doubt will continue to throw their weight around there.

Enemy's Spring Campaign Wilts

The closing phase of the Communist spring campaign took place late last week with a flurry of shellings followed by only a few ground attacks. The attacks took place in I, II, and IV Corps against military and urban targets, resulting in generally light casualties and damage.

Enemy forces also marked the opening days of April and May with similar upsurges, but the scope and intensity decreased with each succeeding phase. This probably is because of increased supply and personnel difficulties, as well as allied pre-emptive measures. Other spurts of localized military action are expected in the coming days as some tardy units conduct their final "spring" attacks and others begin their annual "summer" offensive operations.

Results of Low-key Tactics

Hanoi's injunctions during the past year that the Communists must play for time and prepare for a long, drawn-out struggle have been reflected in the activities at the lowest levels of the Communist organization in South Vietnam in the past few months.

During this period, Communist regular military units have risked significant ground assaults

only against targets in remote areas. There have been a large number of small-scale enemy attacks against rural government outposts, however, particularly in the provinces along the central coast and in the delta. Throughout South Vietnam, most of these small attacks and harassments are being carried out by local Viet Cong forces, many of them now reinforced with North Vietnamese soldiers. In addition, there has for some time been a trend toward "downgrading" part of the Communist main forces to operate as local forces and even as guerrillas, although the extent of this process is difficult to measure.

A Liberation Radio broadcast of last February on military strategy was unusually explicit in acknowledging that small-unit actions are not aimed at achieving decisive military results but at undermining allied pacification efforts, conserving Communist manpower and material, and at enhancing the Communists' staying power for the long haul.

These tactics now seem to be bearing some fruit. It is apparent that, at least in certain areas of the South, the Communists have overcome some of their basic shortcomings by re-establishing and solidifying local organizations and getting new subversive assets in place.

In northern Thua Thien Province, despite earlier Communist losses of personnel and material and the continued large presence of allied forces, the Viet Cong have managed to keep some assets in the province's populous lowlands; they apparently are once again trying to build up their subversive apparatus. Although their main-force military performance in northern I Corps as a whole has been unimpressive, the Communists retain much of their organizational cohesiveness, and guerrilla and terrorist activity is picking up.

In the western highlands of II Corps, the Communists over the past several months have stepped up their political and guerrilla warfare. Security in the villages of Kontum and Pleiku provinces is declining

In the coastal II Corps provinces, the enemy's efforts to erode security have also had some success. In Phu Yen Province, the Communists have been conducting an extensive political warfare campaign for months, and the government is not yet dealing effectively with it despite the edge it enjoys in military strength and in

In the southern part of the country, the Communists apparently still have not recovered from setbacks to their local organization in much of III Corps but attacks and shellings against rural government outposts have increased in numbers and intensity in several IV Corps provinces. The number of enemy-initiated incidents in populous Dinh Tuong Province was higher in April than at any time since the Communist offensive at Tet, 1968.

financial and material resources.

Throughout South Vietnam the increased activity of local and guerrilla forces has gone hand in glove with increased subversion of the Regional and Popular Forces and heightened terrorism against the People's Self-Defense Force, the government's village militia. Communist terrorists have been more active since at least late March and the number of such incidents in April was the highest since early 1968. Previously, there had been a downward trend of terrorist incidents for about a year, although the Communists at the same time demonstrated greater selectivity and effectiveness in assassinating rural government officials and their supporters.

the Communists are placing more

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emphasis on penetrating the government at the local levels. One method is by covertly running their own candidates for elective village and hamlet offices wherever they can. After the most recent round of such elections, a number of successful candidates were subsequently removed from office by the government for alleged Communist sympathies.

Saigon Weighs Extensive Aid to Cambodia

South Vietnam is considering a larger military role in Cambodia as a result of Vice President Ky's visit to Phnom Penh last week. President Thieu reportedly reacted with his usual caution to several of the tentative agreements for greater military cooperation concluded between Ky and the Cambodian leaders, and he can be expected to

set limits on Saigon's actual commitments in order to avoid overextending South Vietnamese resources and in the hope of extracting maximum US support.

Ky's delegation and the Cambodians reportedly agreed that the South Vietnamese Army (ARVN) would establish a base at Neak Luong on the main highway between Saigon and Phnom Penh and that both governments would have reciprocal rights to operate freely up to 16 kilometers (approximately 9.6 miles) on either side of their common border. According to Vietnamese Foreign Minister Lam, however, ARVN does not intend to extend itself too far inland from the border area except for occasional temporary forays.

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Cambodia

Communists Concentrate on Northeast and North

The government's hold in the countryside continues to slip as the Communists press attacks in the north and northeast. In the north, the unexpected attack on the capital of Siem Reap Province moved the enemy offensive to within 90 miles of the Thai border. Government forces recaptured one of the airfields on the outskirts of Siem Reap after three days of heavy fighting, but the Communists have occupied the sacred ruins at Angkor Wat. The bold attack on Siem Reap indicates that the Communists are willing to extend their presence, however thinly, deep into the Cambodian countryside and are intensifying their effort to isolate and strangle Phnom Penh.

In Preah Vihear Province, the Communists have isolated the provincial capital through their control of most of Route 12 between Kompong Thom city and the Laos border, and they apparently now occupy one and possibly two key towns in the province. To the south, South Vietnamese air strikes have enabled government forces to retain control over Kompong Thom city after a week's heavy fighting. Government troops have also reportedly reopened Route 6 between Kompong Thom and Siem Reap.

Communist Handicaps

The presence of allied forces in Cambodia has prevented the Communists from making even

more substantial gains against the badly outclassed Cambodian Army. The Communists probably have also been hampered by the lack of support from the Cambodian populace. Thus far, enemy units have minimized their supply and logistic problems by choosing to avoid pitched battles, but these weaknesses could become increasingly inhibiting as the Communists expand their area of operations.

Phnom Penh - Saigon Relationship

The presence and activities of South Vietnamese Army troops in Cambodia continue to inspire hostile comments from important Cambodian officials who fear that clashes may yet occur between South Vietnamese and Cambodian troops. Vice President Ky's recent visit to Phnom Penh, however, may have had a calming effect. Ky's frank statements about the new Phnom Penh - Saigon relationship reportedly were reassuring to Cambodian officials and students. His delegation allegedly returned to Saigon with Cambodian requests for a continued, large-scale South Vietnamese military presence. The South Vietnamese are probably elated by Lon Nol's desire for extensive assistance, but the Thieu government probably will limit commitments to those measures for which it believes it can secure US backing.

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Saravane Falls: Tremors Reach Vientiane

The long-anticipated attack on Saravane came this week, giving the Communists a victory that may have more political than military significance. The town had been isolated and accessible only by air since November 1968, and nearly all of the populace had been evacuated before the enemy's battalion-sized force struck on 9 June. Possession of Saravane is more convenient than critical to the Communists, inasmuch as they already had effective control of the road network between Muong Phine and Attopeu.

Like Attopeu, however, Saravane was in government hands when the Geneva Accords were signed in 1962, and the recent loss of these two provincial capitals suggests that the Communists have elected to up the ante in Laos. These developments may also be used by some Laotian military and political leaders to press their view that

Communist controlled territory

Contested territory

Contested territory

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Communist and Neutralist control June 1962

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the country's neutral posture should be abandoned.

Prime Minister Souvanna Phouma has been under increasing pressure in recent weeks to appoint rightist politicians to cabinet positions reserved for Communists. A resolution calling for a declaration of national military emergency has been introduced in the assembly. Some rightist leaders, moreover apparently abetted by the South Vietnamese ambassador, have been discussing the possibility of Laos' joining an anti-Communist alliance with other Southeast Asian governments. The fall of Saravane will strengthen arguments for these measures.

Elsewhere in south Laos, the fighting this week was a continuation, although somewhat heightened, of the jousting for position on the southeastern edge of the Bolovens Plateau that has been going on since the fall of Attopeu. Some Laotian commanders believe that the loss of Saravane signals a new wave of enemy attacks in this region, with the Communists attempting to extend their control through Paksong and Pakse in order to open Routes 23 and 13 as a supply line to Cambodia. Such a campaign would appear unnecessary, however, because the Communists already have adequate logistic routes to the south and because Paksong and Pakse are centers for the illicit supply operations—run by prominent southern military and political leaders—that provide enemy units with rice and other supplies.

In the north, Vang Pao's drive on Ban Na has made some limited progress, but at the expense of heavy casualties. An enemy counterattack on 4 June virtually eliminated one Meo battalion and, although the ground lost in this action has been retaken, it is clear that the Communists intend to hold the territory they control south of the Plaine des Jarres.

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Soul-searching in Seoul

South Koreans generally are unhappy at the prospect of reduced US involvement in Asia and what this could mean for Korea. The Seoul government in the past has attempted to alleviate this concern by adamantly opposing any reduction of US troops in South Korea. Although the issue remains a highly charged one, there are tentative signs that the Pak regime now is beginning to adjust to a prospective cutback in US troop strength in the country, which presently stands at about 57,000 men.

Recent government-inspired press commentary suggests that President Pak may be adopting a more flexible line. An editorial in the government-owned Seoul Sinmun linked US troop withdrawal to assurances of "automatic" US intervention in the event of an armed attack from the Communist North, to the modernization of South Korean forces, and to US financing for the construction of a Korean small-arms factory. Other leading newspapers subsequently adopted a similar line. The English-language Korea Times carried

a long article emphasizing the need to build up South Korea's forces to compensate for any drop in US troop strength.

Prospects are, however, that any shifting of gears by Seoul on the troop issue will be reluctant and protracted. Pak can be expected to bargain hard for every US soldier taken out of Korea and to attempt to delay a cutback as long as possible. Recurring incidents such as last week's seizure of a South Korean patrol craft by the North Koreans will be used by Pak to strengthen his bargaining hand. Such incidents also provide the opposition an opportunity to accuse the President of neglecting the nation's security, a charge Pak wants to avoid in his campaign for re-election next year. For example, in an obvious ploy following this latest incident, Pak claimed that any reduction in US troop strength could invite a North Korean "miscalculation" that might lead to another

war.

NOTE

Communist China: There is mounting evidence that selected chiefs of mission have been recalled to Peking for high-level consultations. The Chinese chargé to Burma returned last week, and the Chinese ambassadors to Pakistan, Sweden, France, and Romania returned apparently within the last two weeks. These consultations undoubtedly have been called to bring China's key representatives abroad up to date on developments in Indochina and to provide policy guidance; the envoys will probably also be instructed to follow up on Peking's recent diplomatic and propaganda offensive in Indochina. The meetings are bound to include briefings on broader foreign-policy topics. The gathering almost certainly does not mean that the Chinese are about to alter their strategy in Indochina. Rather, it is another good indication that Peking intends to press what it considers its current advantage in the situation.

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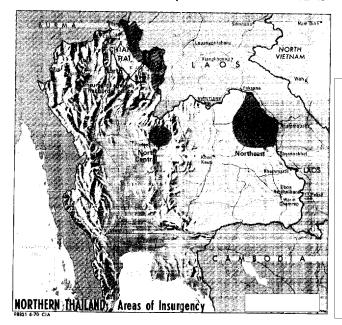
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Thailand: Insurgents Sock it to 'Em

Government operations to dislodge tribal insurgents from traditional border strongholds in the north are meeting stiff resistance. The insurgents ambushed a road-construction crew operating in Nan Province near the Lao border late last month, killing five highway workers as well as five members of a border-police platoon providing security for the mission. Additional casualties were suffered when government forces subsequently attempted to recover abandoned equipment. The action occurred in the general area where the Communists thwarted an army sweep operation in early April, inflicting numerous casualties and destroying or damaging several helicopters.

The tough insurgent response to government efforts to re-establish a presence in this area is



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further testament to the high value the Communists place on this sector, which they regard as "liberated" territory. By contrast, the government's performance, both here and elsewhere in the north—particularly in troubled Chiang Rai Province—is evidence that Bangkok continues to underestimate Communist strength and that it is not committing the necessary military resources to contain the insurgent threat.

The insurgents are also having some fresh success in the northeast, where their fortunes had been on the decline for the past two years. Assassinations, armed propaganda meetings, and other indicators of bolder insurgent activity have risen substantially in the past few months. More importantly, the Communists appear to be making some progress in strengthening their village support base, one of the primary objectives the insurgents set for themselves at their annual strategy sessions earlier this year.

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Seabeds: US Initiative

The response to President Nixon's proposal that coastal states renounce claims to the natural resources of seabeds beyond a water depth of 200 meters—slightly beyond the average extent of the continental shelves—has so far been generally favorable. Two Latin American states have already officially rejected the initiative, however, and several others from that region will probably join them. The Soviets, moreover, oppose a key feature of the proposal.

Under the US scheme, an international regime would be set up to exploit resources beyond the 200-meter line for the benefit of the world community. Coastal nations, however, would be trustees of the zone between that line and one farther out that marks the end of the continental margin and the beginning of the deep ocean floor. For acting as trustees, they would receive an extra share of revenues derived from the zone.

Observers at the UN believe the US initiative has boosted hopes for progress in the August meeting of the General Assembly's seabeds com-

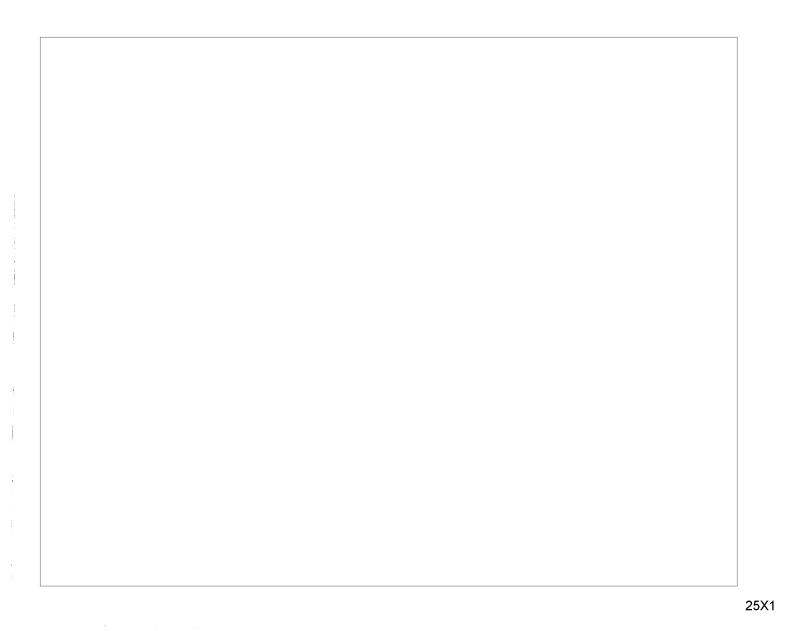
mittee. Committee discussions heretofore have been marked by clashes between coastal and landlocked states and by the concern of developing countries that their ability to exploit the seabeds is greatly disproportionate to that of the superpowers.

Those South American states that have narrow continental shelves are unhappy, because a 200-meter line would limit the area they could exploit nationally. Peru and Ecuador have officially rejected the US plan, and Chile's foreign minister has publicly denounced it. They have received support from other Latin American nations who regard the scheme as an indirect threat to their claims of extensive territorial waters.

Moscow has not yet responded directly, but it remains opposed in principle to the creation of an international regime to govern peaceful uses of the ocean floor. The Soviets, however, are very eager to secure international agreement limiting maritime claims, and may see the US proposal as a step forward.

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USSR: Dissidence

On 29 May Soviet police, accompanied by a psychiatrist, arrested Zhores A. Medvedev, a distinguished biologist who has published criticisms of Soviet political conditions. The unprecedented

promptness with which he was examined and declared sane may have resulted from the speed with which other eminent scientists protested his arrest. It is now reported, however, that a second

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examination resulted in a decision to extend Medvedev's hospitalization to a month instead of a week. The charge of insanity, not the threat to his scientific research, appears to have triggered the protests. Last year, his dismissal from the Institute of Medical Radiology in Obninsk was effected without protests from his colleagues.

Medvedev's arrest marks a new stage in the regime's controlled repression of dissidents. The only similar case in which such direct action has been taken against an eminent scientist involved the arrest and detention in a psychiatric hospital of Aleksandr Yesenin-Volpin in 1968. The important difference is that Yesenin-Volpin's arrest was a consequence of his protests over the Ginzburg-Galanskov trial; he was not the regime's primary target. The significance of this latest development apparently has not been lost on the scientists. Their reaction is probably typified by the observation of physicist Igor Tamm that "not one honest and principled scientist will be sure of his own security if similar grounds can bring about his own repression."

With the exception of Roy Medvedev, Zhores' twin brother, and Aleksandr Tvardovsky, former editor of *Novy Mir*, the cultural intelligentsia have apparently not been active in protesting Medvedev's arrest, probably because their ranks have been thinned by earlier regime action.

They are probably sympathetic, however, to many of the ideas of physicist Andrey Sakharov, who did protest the arrest, and has for several years advocated changes in the Soviet system.

The recent appearance of political programs marks an important turning point in Soviet dissidence that may force the regime to act more boldly in suppressing advocates of change. Medvedev's books have been critical of the Soviet political system and the lack of freedom of discussion. This spring Sakharov, Roy Medvedev, and physicist V. Turchin addressed a "letter" to Brezhnev, Kosygin, and Podgorny recommending that the party carry out a democratic reform, including freedom of discussion, as a cure for stagnation in the Soviet economy.

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Although the drama has not been played out, Medvedev's arrest may be a warning to scientists, particularly Sakharov, and other dissidents that the Kremlin's patience is wearing thin and that, if pushed, the regime will sacrifice something on the scientific side for the sake of political security.

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NOTE

Poland - West Germany: The latest, three-day round of political talks held in a warm atmosphere of cautious optimism, ended in Bonn on 10 June with an agreement to meet again in Warsaw in the second half of July. Warsaw radio announced that the two sides have ended the first phase of their exchange of views and have agreed to begin discussion of an agreement to normalize relations. This suggests that the round was successful in achieving its limited aims of consolidating the progress made so far on the border issue and related questions, while awaiting developments in the Federal Republic - Soviet talks and the West German elections on 14 June.

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Czechoslovakia: Party Purge Under Fire

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The Communist Party's five-month-old membership-card exchange program, designed to purge the party of politically unreliable members,

has been heavily criticized by prominent conservative members who claim it is failing to rid the party of liberal, reformist elements.

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A number of these conservatives, including the director of the exchange program, have publicly called for more stringent efforts to identify and oust those members not totally committed to the party line. These critics consider willingness to support the 1968 Soviet invasion a main touchstone of a member's reliability.

The purge program was put into high gear

last January, following the ouster of the top liberal party leaders. Intellectuals have come under the heaviest fire. The leadership and the rank and file at all levels have come under scrutiny, and in some districts entire party organizations have been dissolved. about half the functionaries in the national party apparatus have been purged, as have approximately one third in the regional and nearly as many in the district party organizations. As a result, the remaining members who are not fully in agreement with the leadership are intimidated and effectively muzzled.

The number of those ousted, however, represents only a small percentage of the total membership, and has not approached the magnitude the party hard liners favoring an elite organization would like. Under Dubcek, the party's rank and

file swelled to a total of 1.7 million, of whom 200,000 to 300,000 are believed to have resigned since the invasion. Approximately half of the remaining membership has thus far been screened. Reportedly the party leadership would like to wind up the program by the end of 1970. A special central committee plenum scheduled this month will discuss the status of the membership-card exchange program.

Husak has so far resisted demands for massive expulsions, as this would weaken his support and could lead to further vengeance. With continued Soviet backing, he appears to be in a strong enough position to weather the storm. He is apparently seeking to counter the attack by applying pressure on the conservatives themselves. Recent articles have appeared in party journals warning against "extreme voices from the left" and factionalism, which was cited as being incompatible with party membership.

Although criticism of the exchange program reflects the steadily mounting political pressures that have been applied on Husak and his colleagues by the more orthodox conservatives, it does not yet represent a serious challenge to his position.

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NOTE

Romania: The Romanians have served notice that recent flood damage in no way alters their determination to continue an independent economic policy. Party chief Ceausescu has reiterated this in recent speeches, and in accepting flood relief from both Communist and non-Communist countries he has told several ambassadors that the aid is accepted with no political strings attached. Nevertheless, when the full extent of economic losses is calculated, this may prove a difficult position to maintain. Damage to industry, the transportation network, and a decrease in agricultural production will affect domestic supplies and reduce export earnings. The Romanian people, who already are contributing money and labor, may have to accept rationing or other hardships until the economy can recover from the flood effects.

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IAEA

Two meetings critical to the future of the International Atomic Energy Agency (IAEA) commenced at the agency's headquarters in Vienna this week. Both revolve around the IAEA's role in implementing the provisions of the Nonproliferation Treaty (NPT) to prevent non-nuclear-weapon states adhering to the treaty from diverting fissionable material from peaceful to military uses.

A special committee established in April by the 26-nation IAEA Board of Governors to consider the position the agency should take in negotiating the required safeguards agreements is now convening for the first time. The East European nations have indicated that they will press for strict compliance with the IAEA's so-called draft model agreement, which gives the agency comprehensive inspection responsibilities. Members of the European Atomic Energy Community (EURATOM), on the other hand, oppose any agreement that would infringe on EURATOM's own safeguards system. Japan, citing the risk of industrial espionage in international inspection arrangements, does not want EURATOM states to receive a privileged status on inspections.

Within EURATOM, the stalemate continues over a mandate for the opening of negotiations with the IAEA on safeguards. French Foreign Minister Schumann made it clear at a EURATOM Council meeting last month that his country believed any agreement reached with the IAEA

would make EURATOM subject to outside interference. In France's view, such a result would not be consistent with the EURATOM treaty, and Paris would therefore no longer feel bound by EURATOM's safeguards procedures. Since the meeting, there have been no signs that the French intransigence is softening. Attempts to resolve the issue are being made, but some sources have suggested that a compromise may not be reached for several months.

Another question of primary concern for the safeguards committee is the problem of financing the inspections. France and India, two countries that have not signed the NPT, probably will demand that nations being inspected pay the safeguards costs, a position unpalatable to countries with many nuclear facilities to be examined by the IAEA. The US has voluntarily offered to place its installations under safeguards and may come under pressure to pay the sizable cost such inspections will entail.

The Board of Governors itself is also meeting. One of its chief concerns is the impasse over competing Italian and Soviet schemes to expand the board, a measure deemed desirable in view of the significant new role to be played by the IAEA. The two proposals differ principally on the question of whether Italy and West Germany, both EURATOM members, should be granted permanent seats on the board.

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NOTE

WEU: The ministerial session of the Western European Union (WEU) last week in Bonn saw France's return to the organization after more than a year of self-imposed absence. The French returned on the understanding that enlargement of the European Communities (EC) will not be discussed in WEU and that the member governments will agree in advance on subjects considered appropriate for WEU discussion. France's return added a positive note to the ministerial meeting, which otherwise was dominated by uncertainty concerning what role WEU will be able to play in the future now that European integration apparently is on the move again within the framework of the EC.

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Italy: Elections Bolster Coalition

The results of the regional and provincial elections on 7 and 8 June reinforce the center-left coalition in Rome. The public's reaffirmation of confidence in the center-left will relieve pressures that had been building for inclusion of the powerful Italian Communist Party in the national government.

The four coalition parties won 58.2 percent of the regional vote and 58.5 percent of the provincial vote. This is a considerable improvement over the 55.4 percent polled in national elections in 1968. Returns from the local elections, held simultaneously, are incomplete.

Within the coalition, the Christian Democrats appear to have sustained a slight loss, while the smaller parties—the Socialists, the Unitary Socialists, and the Republicans—gained. The strengthening of the smaller parties is a stabilizing factor and one likely to increase government attention to economic and social reforms, including the long-delayed divorce legislation that the Vatican has opposed.

Perhaps the most serious economic problem facing the government is the continuing rise in prices. The cost of living for the first four months of 1970 was 5.2 percent above that of a year ago and, among prices for consumer goods, those for food are rising fastest.

Labor unrest, which is exacerbated by a contest for power between organized labor and extremist proponents of "worker power" through wildcat strikes, has made control of inflation difficult. The government now seems to have improved its position for the task.

The Communists' strength dropped a trifle and their Proletarian Socialist allies lost significantly in comparison with the 1968 elections. Nevertheless, three regions in the middle of the country—Emilia-Romagna, Tuscany, and Umbria—are likely to have Communist-dominated governments. The two extreme leftist parties won a majority in Emilia-Romagna and, with Socialist support, would have a majority in the other two.

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USSR: Stance on Middle East Hardens

The Soviet Union greeted the third anniversary of the 1967 Arab-Israeli war with a clear hardening of its public line on the Middle East and a more uncompromising stand at the negotiating table.

As bilateral talks resumed in Washington and the US considered more aircraft for Israel, TASS loosed a broadside on 6 June warning that the Soviet Union could not be "blackmailed" into concessions by US threats to deliver additional

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aircraft to Tel Aviv. The TASS commentator noted that such methods have never worked against the USSR and hinted that the Soviets would answer new US deliveries with like moves of their own, commenting that the US is "not the only state on which the Middle East balance of power depends."

On 31 May, *Pravda* issued the toughest Kremlin interpretation yet of the November 1967 UN Security Council resolution, setting the "speediest" Israeli withdrawal from the occupied territories as a precondition for a settlement. The article also said that a settlement must be "without any concessions to the aggressor." At the same time, the Soviets have retreated on some important points in the four-power talks at the UN. Moreover, Moscow has publicly asserted that the views of the Palestinian resistance must be considered in any political settlement.

Soviet propaganda has also belabored the danger to Israel's existence posed by Tel Aviv's own policy. On 6 June, TASS claimed that Golda Meir and her cabinet were "pushing Israel to suicide through military ventures." A week earlier, the government news agency warned in an

official statement that Tel Aviv's policy was "fraught with dangerous consequences, for Israel itself, above all."

At the same time, official TASS statements and press articles have been laced with pledges of additional Soviet aid to the Arabs in order to "regain territory lost in the six-day war." On 31 May, *Pravda* again cited Brezhnev's comment of several weeks ago that Israel must be "compelled" to withdraw its troops and cease its provocations. The Soviet press recently has taken up the theme of renewed Arab military capability and confidence, and has claimed that Israeli military superiority is "coming slowly but surely to an end."

Moscow's strident propaganda line, its greater rigidity in negotiations, and its continued military deployment make it clear that the Soviets are trying to turn up the heat on Israel. Indeed, the USSR appears to have opted for a policy of steadily increasing the political, psychological, and military pressure to wring concessions from Tel Aviv and thereby obtain a political set-25X1 tlement on Arab terms. The real danger, however, is that these pressures will go too far and trigger a Soviet-Israeli clash.

Arab-Israeli Activity

Military activity on all the Arab-Israeli frontiers continued high all week, highlighted by continued Israeli heavy bombing of the Egyptian side of the Suez Canal, and another outburst of activity on the Israeli-Syrian front.

Israeli Chief of Staff General Bar-Lev described Israel's actions against Egypt as a shift from retaliation to continuous military activity to "counter war by war." He said Tel Aviv's goal was to prevent and postpone a war and to achieve a situation as near as possible to a cease-fire. He was not optimistic, however, and expressed the view that a cease-fire would probably not obtain even if the Soviets held their involvement at the current level or if they reduced it. Nasir, he charged, did not appear to want one.

While the Israelis talk of a Cairo-mounted war across the canal, they do not really believe it possible—at least now. Their main concern continues to be Soviet intentions in Egypt. The important factor, Bar-Lev contended, was whether the USSR would become even more embroiled in the canal war. Like other Israelis, Bar-Lev called on the US to put some curbs on further Soviet involvement and re-stressed Israel's own determination "to fight the Soviets if necessary to defend the canal line."

Israel has claimed that its bombing attacks have cut road access to Port Said at the head of the canal, following two successful Egyptian commando attacks launched from that area last week. The interdiction also served as a demonstration of Israel's determination to assert military supremacy in the area even when—as in this case—its actions may impinge on Soviet interests. Israeli spokesmen say that the supply of food and water to the port, where Soviet ships are stationed, has been impeded.

General Bar-Lev in a later interview denied that Israel had decided to drop for all time its deep penetration raids into Egypt; he indicated that these remain an Israeli option. Prime Minister Golda Meir made an unusually defensive statement indicating that Israel would engage the Soviets only if they operated on the Israeli side of the canal. For the present, it appears almost certain that Tel Aviv, in order to avoid provoking Moscow and Washington, will not undertake deep penetration raids. It seems likely that Tel Aviv will try as long as possible to keep alive the Moscow - Tel Aviv "unwritten understanding"—no deep raids by Israel in exchange for no Soviet SA-3s along the canal.

Israel's other three borders were quieter than the canal front, but Arab irregulars and regulars continued their cross-border shellings and operations. A series of guerrilla attacks from Lebanon brought Israeli artillery responses, and in reply to another shelling of an Israeli settlement near the Lebanese border, Israeli aircraft bombed and strafed "Fatah-land" on the slopes of Mount Hermon. Lebanon had formally recorded in the UN its complaint of Israeli actions in southern Lebanon—the shelling, and more importantly, the continued Israeli patrolling on Lebanese territory.

Syria chose this week for one of its rare practical demonstrations of Arab militancy and, following a visit by Libyan Premier Qaddafi—who has been touring the Arab states urging more concerted action against Israel on the eastern front—an extended firefight broke out between the Syrians and Israelis in the Golan Heights. Damascus made some grandiloquent claims regarding Israeli casualties, settlements damaged, and Israeli aircraft shot down, but Israel admitted to only 11 wounded.

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Fedayeen: Unification?

The 11 major fedayeen organizations agreed last weekend at a meeting in Cairo to establish unified military and political bodies under the aegis of the Palestine Liberation Organization. The membership of the new political body, a 27-man central committee, has not been identified except for its chairman, Yasir Arafat. The supreme military command is intended to train, direct, and coordinate all guerrilla forces. Details of the session, which had to be extended several days, were conspicuously absent from the Arab press, suggesting that the fedayeen groups still have not reached final agreement on implementing their decisions.

Fatah's consent to the creation of these bodies—which will result in some loss of its control over the Palestine Liberation Organization—was impelled by a desire not to lose its financial subventions.

ers reportedly also have begun to realize that among young militant Palestinians their organiza-

tion presents the image of a conservative group tied to conservative Arab states, and they are eager to take what steps they can to attract or at least hold young Palestinians to their organiza-

tion.

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Fatah leaders apparently believe that by yielding some power they can prevent to some degree any further splintering of the fedayeen movement. In any event they seem confident that they can retain control of the new central committee. The new political body, however, appears to be collegial in nature and Fatah might have difficulty in dominating it. The central committee's membership includes the Palestine Liberation Organization's Executive Committee, the chairman of the Palestine National Council, the Palestine Liberation Army commander, three representatives of independent Palestinian organizations, and the 11 major fedayeen organizations, each of which has equal representation.

The success or even the relative importance of the new bodies depends to a large degree on whether or not the more extreme groups led by George Habbash's Popular Front for the Liberation of Palestine (PFLP) agree to subordinate themselves. The PFLP has already challenged the new military command's authority to control fedayeen activities, stating that the PFLP reserves the right to carry out independent operations such as its past terrorist attacks on US and Israeli aircraft. After reportedly touching off the latest clash between the Jordanian Government and the fedaveen, the PFLP further defied the central committee by announcing its refusal to observe the cease-fire the committee arranged on 10 June.

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Upper Volta: Upper Voltans will go to the polls this weekend on a referendum for a new constitution drafted by the army, which has long promised to return power to civilians by early next year. All political parties have called for a "yes" vote, despite provisions for General Lamizana to continue as president and for army men to hold one third of the cabinet positions during a four-year transition period. The draft is virtually certain to be approved, thereby moving Upper Volta a step closer to nominal constitutional government, but leaving genuine civilian rule still a long way off.

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Libya: In Libya, final evacuation ceremonies took place at Wheelus Field on 11 June when the US handed over the huge air base to the Libyan Air Force. Earlier, the appearance of armed Libyan airmen at the base during several "alerts" had raised fears that the base might be seized by force prior to the handover, but these failed to materialize. The British evacuated their army base and airfield in early April, so the Wheelus evacuation leaves a small British naval mission as the sole remaining Western military mission in Libya. The final ceremonies signal the beginning of a new and perhaps difficult period in Libyan-US relations. The course of the still-unresolved oil negotiations and Premier Qaddafi's actions during his continuing grandstand tour of the Arab countries may provide indicators on the future of these relations.

Jordan: Crisis

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A cease-fire announced late Wednesday was still being generally observed as of the morning of 11 June, although there were continuing reports of sporadic firing.

The fighting between Jordanian Army units and the fedayeen apparently was touched off on 6 June by an exchange between a Jordanian soldier and three fedayeen. Intense fighting followed on the 7th in and around the refugee camp at Zarqa, 15 miles northeast of Amman. Scattered incidents occurred on Monday throughout the country, and by Tuesday fighting had spread to Amman and to other major Jordanian cities.

Casualties appear to have been heavy on both sides, with the fedayeen reporting that at least 400 commandos and civilians had been killed. Jordanian Army casualties were probably less than those of the fedayeen. One American, an assistant US Army attaché, was killed.

An earlier cease-fire agreement between King Husayn and Palestine Liberation Organization (PLO) leader Yasir Arafat concluded on 10 June was apparently ignored by government troops. The Marxist-oriented Popular Front for the Lib-

eration of Palestine (PFLP) also refused to recognize the earlier agreement and announced its own cease-fire conditions that included the dismissal of senior Jordanian Army commanders. As of 11 June, the PFLP continued to occupy two Amman hotels and was holding some of the occupants, including a number of Americans, as hostages.

The latest cease-fire arrangement is reported to include commitments by each side to return their respective forces to their bases and to release all those detained since the beginning of the crisis. The apparent acceptance by the government of this new agreement may have resulted at least in part from increasing pressure on Husayn by other Arab leaders to stop the shedding of Arab blood.

In any event, the latest cease-fire may not prove any more viable than its predecessors. As late as early afternoon of 10 June, the central committee of the PLO was still insisting on the dismissal of three high-ranking army officers, including the King's uncle—terms that Husayn would find difficult to accept. Even if the King should succeed at arriving at a compromise with the more moderate fedayeen organizations, the radical groups—particularly the PFLP—might not observe it.

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Dominican Republic - OAS

The cancellation of plans to hold the General Assembly of the Organization of American States in Santo Domingo this month because of leftist protests removes some short term problems for the Balaguer administration but makes it even more likely that leftist radicals will continue to use violent tactics against the administration.

The decision, taken on 6 June by the permanent OAS delegates in Washington, was an outgrowth of the uneasiness generated by weeks of student-led demonstrations throughout the country. At least five persons were killed during the disorders, and the recent kidnaping of a wealthy industrialist's son probably made the OAS delegates even more wary of the potential for violence during the scheduled six-day conference. The formal announcement rescheduling the conclave for 25 June in Washington was delayed until this week in order to allow the Dominicans time to fashion some face-saving explanation.

The Dominican Government publicly maintained that it could guarantee the safety of the OAS delegates, and no cosmetic announcement, therefore, will conceal the fact that it is bowing

to leftist pressure. The decision to shift the site removes one irritant in government-opposition relations and may have a temporary calming effect. Over the long run, however, the left will be buoyed by what it will regard as an unqualified victory and it will be even more prone to use civil disorder to exert pressure on the administration. Juan Bosch, the leader of the major opposition Dominican Revolutionary Party, had led the attacks against the OAS meeting, and its cancellation will boost his local political stock.

The OAS question, however, presented the left with a rare, nationalistic issue that permitted it to gain support across the political spectrum because of the still bitter memory of the OAS-sponsored intervention of 1965. With the international spotlight now removed from Santo Domingo, the Balaguer government will be less reluctant to deal firmly with any further attempts to promote disturbances. The next target for opposition attacks probably will be the inauguration of Balaguer on 16 August, but it is unlikely that the left will be able to promote any sort of unitedfront protests.

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Venezuela: President Caldera returned home with heightened prestige after his visit to the US last week. Venezuelan media coverage has been extensive and virtually unanimous in praise of the trip. Venezuelans generally seem to take pride in the dignified manner of their president and in the frankness with which he espoused their interests. Caldera's appreciation of the cordiality accorded him and his party apparently is shared by the majority of Venezuelans. The announcement of increased Venezuelan access to the US petroleum market for the next six months is viewed both as evidence of the effectiveness of Caldera's effort and as an indication of the good will of the United States.

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Guatemala: Rightist revenge for Communist terrorism has raised fear of widespread repression in the intellectual community. The torture and murder of a university profes-	
sor, presumably by the rightist terrorist group "Ojo por Ojo" (eye for an eye), have evoked indignation in educational and other liberal circles.	_

El Salvador - Honduras: The two governments signed an agreement last week on demilitarization of their common border at a meeting of the Central American foreign ministers in Costa Rica. This agreement if implemented would set the stage for resumption of bilateral talks on re-establishment of diplomatic and commercial relations, as well as for the discussion of the border dispute and the problem of Salvadoran migration to Honduras. Attention would also shift to reviving and revising the Central American Common Market. The economics ministers of the five member countries are expected to meet soon to work out an agreement governing the operation of the market until a more complete restructuring of the organization can be negotiated.

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Panama: Relations with US

Relations between Panama and the US have encountered new strains as the deadline nears for extending an agreement that would permit the US to continue using Rio Hato, a major military installation outside the Canal Zone.

Early this week, three National Guard colonels who led the abortive coup attempt against General Torrijos last December escaped from jail and sought asylum in the Canal Zone. These officers have been a persistent problem for General Torrijos. They still have some support within the Guard, and they were not brought to trial for fear of further dividing the officer corps.

The Panamanians initially made strong representations to the US for the return of the fugitives and Lakas, concerned about Torrijos' reaction, even told US Ambassador Sayre that he might be removed from office if the men were not recovered. Torrijos had only recently gotten over his anger at the failure of the US to facilitate the extradition of a top Arias aide who fled to the Zone last February after unsuccessfully attempt-

ing to organize a coup. Even though in this instance Torrijos is glad to be rid of the prisoners, he undoubtedly remains frustrated by the continued availability of the Zone as a safehaven for political opponents of his regime.

Nevertheless, the Panamanians have recently attempted to improve relations with the US. Last month the government appointed a new ambassador to the US after the post had remained vacant for five months, and only last week it passed up a ready-made opportunity to put pressure on the US. Ambassador Sayre had sought clarification of a statement by the Panamanian chargé in Washington indicating that his country is interested in the return of Old France Field, an increase in the sugar guota, and an annual rent in return for the extension of the Rio Hato Base Agreement. President Lakas strongly reaffirmed his government's intention to extend the agreement when it expires in August, adding only that he expects the US to reciprocate by agreeing to a number of Panamanian requests.

Although Panama will continue its efforts to have the colonels returned, it now appears less likely that the Panamanians will jeopardize relations with the US on this issue. The matter will remain an irritant, however, and should any other incidents involving the US arise, chances for extension of the Rio Hato Agreement without prior concessions would become doubtful.

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Argentina: Junta Ousts President

The three-man military junta that ousted President Juan Carlos Ongania this week has promised to end "one-man government" and return to some form of democracy.

The junta, under the chairmanship of the commander in chief of the navy, Admiral Gnavi,

has promised to name a new president—perhaps a civilian—by 19 June. In the meantime, the junta has requested most cabinet members to stay on until their successors have been chosen.

Ongania's troubles with military leaders had been building for some time. Frustration over

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Carlos Alberto Rey Commander in Chief Air Force

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Alejandro Lanusse Commander in Chief, Army



Predro A. J. Gnavi Commander in Chief, Navy

recent labor and student unrest and the upsurge of terrorism that culminated in the kidnaping of former president General Pedro Aramburu heightened military displeasure with the President. Military leaders criticized the government for bungling the investigation into Aramburu's abduction and for its seemingly do-nothing approach to current problems.

Although the junta has made a vague commitment to restore "democracy" over the next few years, it is still not clear how the military intends to achieve this. Early elections are unlikely because the country is unprepared for them and there is no popular demand.

Speculation now is centered on the junta's choice for president. Several names have been put forward, including retired generals Pistarini and Guglialmelli, and civilians Caceres Monie and Conrado Etchebarne, ministers of defense and justice, respectively. Whoever is chosen will be subordinate to the military leaders, especially to General Lanusse, who will dominate the formulation and execution of the new administration's policies. Caceres Monie has said that the 1966 Act of Revolution—the governing law of the land—will be amended to make the three-man junta a "cogovernment" partner with the new chief executive. He has emphasized, however, that the changes contemplated will be within the framework of a presidential system.

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the military is studying three possible forms of government—rotating the presidency among the three junta members for one-year terms; appointing a prime minister who would run the country but could be replaced in case of discontent; or appointing a figurehead president, probably a civilian, who would let the junta run the nation.

Thus far, the Argentines have remained generally apathetic about Ongania's ouster and show no strong feeling for or against the junta. Opposition political groups and the Peronist-dominated labor movement have generally refrained from comment. They are probably waiting to see what policies the new administration will institute. Reports that army leaders backing General Lanusse have prepared a plan "to remove from politics"

the nation's unions by electing new leaders throughout the country are not likely to be greeted with enthusiasm by Peronist labor leaders, who had hoped for a continuation of the Ongania government's policy of rapprochement. If the reports are true, the more volatile elements in the labor movement will probably react strongly.

The ouster of President Ongania marks an unfortunate turning point in the country's efforts to achieve political stability and orderly economic development. An attempt by the junta members to co-govern with perhaps a figurehead president is almost doomed to failure and will probably result in increased restiveness among disaffected groups and, ultimately the re-emergence of a strong-man government.

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Cuba: Aid to Peru

Fidel Castro's ostentatious efforts to aid the victims of the recent earthquake in Peru are designed to improve his image in the hemisphere and to tempt the Velasco administration into moving closer to Havana.

On 3 June, Castro began an "airlift" that so far has brought about 12 planeloads of plasma, medical supplies, and other types of assistance to Lima. The flights have also carried more than 100 passengers, many of whom are doctors, nurses, and other medical personnel. In addition, a motion-picture team has been dispatched to the disaster area. Because of the absence of formal ties between the two countries, arrangements for the relief shipments were made through the local office of the Cuban press agency.

One of the first persons to arrive from Havana was Castro's minister of public health, Heliodoro Martinez Junco. The presence of such a high-ranking official to oversee Cuban aid is Cas-

tro's way of dramatizing his "humanitarian" concern for the earthquake victims. After inspecting the disaster area from the air, Martinez Junco conferred with Peruvian officials on relief requirements and will probably return to Havana shortly to brief Fidel on the situation.

Castro's attitude toward the Velasco administration since last July has been one of cautious optimism regarding its "revolutionary" potential. The earthquake has provided Castro with an opportunity for open contact with the Peruvians as well as for an excellent propaganda campaign throughout the hemisphere. Castro could try to convince Latin Americans, for example, that it was Cuban competition that caused the US to make massive aid contributions to Lima. The considerable publicity given by the Cuban press to the appearance of Castro and President Dorticos at a Havana hospital to donate blood for Peru and the subsequent propaganda campaign will probably also help Castro at home.

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DIRECTORATE OF INTELLIGENCE

WEEKLY SUMMARY Special Report

Aftermath of Elections in the Dominican Republic

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AFTERMATH OF ELECTIONS IN THE DOMINICAN REPUBLIC

On 16 August a democratically elected administration in the Dominican Republic will succeed another for the first time in history. Scarcely more than four years after a near civil war shook the country, the Dominicans returned incumbent Joaquin Balaguer to the presidency with a majority in a peaceful and relatively honest election held on 16 May. Measured against the chaos of 1965, the holding of contested and free elections was in itself a significant political stride forward. Balaguer's impressive victory in the fiveman race has reinforced his control of the government, at least in the short run.

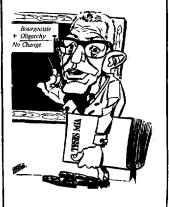
The victory, however, was a personal triumph for Balaguer; the fledgling political system that emerged after the assassination of long-time dictator Trujillo in 1961 is showing signs of strain. The major opposition party and the only legitimate political representative of the left, the Dominican Revolutionary Party (PRD), refused to participate formally in the elections, charging the government with repression. The bitter political aftertaste of the 1965 revolution is still evident in its revolutionary mouthings. The PRD has undergone some withering of its organizational base, and possibly of its popular following, and has now forsaken even the semblance of a loyal opposition. As evidenced during the campaign, other parties, even of the far right, would be willing to cooperate with the PRD should they see an opportunity to oust Balaguer. Under these circumstances, the President will continue to rely on the armed forces as an essential political prop.

Because of his popular and military support, Balaguer is one of the few Dominicans capable of achieving a modicum of political and economic progress while maintaining stability. It is less than certain, however, that even he will be able to complete another four-year term successfully. He is a master at controlling demands for political and social change, but he does little to accommodate them. His convincing election win, and the consternation and disorganization it has caused his foes, probably will provide him some respite from political attack after the inauguration in August. During his term, however, he is likely to be faced with continuing, and probably increasingly violent, problems of public order. His programs, designed both of necessity and political inclination to preserve order rather than to promote progress, will be under mounting attack. Not even the most ambitious programs are likely to stem the growing and massive unemployment in the cities—a reservoir of disenchantment upon which the left hopes to feed.

The Elections

The elections themselves were practically anticlimactic after a campaign during which all opposition groups threatened to withdraw; Balaguer quit his office in an unprecedented move to keep several parties in the race; the leader of the left, former president Juan Bosch, returned after three and a half years of self-imposed exile only to reinforce his party's decision to abstain; and one presidential candidate, Garcia-Godoy, died. About 60 persons were killed as a result of campaign violence.





President Balaguer

The campaign centered on personalities rather than on programs. The opposition attacked Balaguer on grounds of "continuismo," claiming that his re-election, although constitutionally permissible, was morally repugnant to a majority of the people. They charged that re-election represented a reversion to Trujilloism (Rafael Trujillo had held the country in a dictatorial vise from 1930-1961 and Balaguer had served in his government for many years). Balaguer, as is his custom, accepted opposition charges without comment and appealed to the people to renew his mandate so that he might complete unfinished programs. Military support for Balaguer, although pervasive, stayed within the bounds of Dominican political propriety—if only because the armed forces were confident that he could win easily without arm twisting.

Opposition efforts attracted headlines but had limited public impact. The final electoral tally gave Balaquer some 650,000 votes. His closest competitor, Vice President Lora, lagged 400,000 votes behind. Lora benefited to some extent from half-hearted support from the PRD. Former General Wessin, even farther to the right than Balaguer or Lora, attracted only 150,000 votes. The two participating representatives of the center and left, the Social Christians (PRSC) and the National Conciliation Movement (MCN), attracted only about 50,000 votes each. None of these parties has a very bright future. Both Lora's and Wessin's organizations represented personal campaign vehicles not designed for longevity. Their fate is tied to the personal fortunes of their leaders. The PRSC will continue its dogged struggle to gain national prominence, but it seems unlikely that the party will make any startling gains. The MCN, with the death of Garcia-Godoy, its only well-known leader, probably will wither away.

Balaguer's personal victory was buttressed by overwhelming congressional and municipal majorities. The President's supporters won 26 of 27 senate seats, 60 of 74 seats in the house of deputies, and 75 of 77 mayoralties. On the basis of percentages and elective seats, Balaguer's 56-percent majority was an impressive victory and a stunning disappointment for his foes; both Lora and Wessin registered their public "surprise" at the results. The contest clearly illustrated that there is no individual on the center or right who approaches Balaguer's national stature.

The total number of ballots cast, however, fell about 200,000 votes short of the total in the 1966 elections despite a significant increase in the number of eligible voters. The percentage of participating voters (about 61 percent) contrasts with that of 1966 (74 percent) and 1962 (67 percent), and Balaguer's 645,000 total was more than 100,000 votes short of his 1966 tally.

The PRD has used these figures to calculate an abstentionist vote of some 700,000—larger than any individual candidate's total—which it

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claims is indicative of its continued and growing strength and of Balaguer's declining popularity. For a number of reasons, such claims are not persuasive. Popular interest in the recent elections cannot compare with that generated in either of the last two contests. In 1962, the country's first free elections were being held after decades of Trujillo dictatorship, and campaigning was lengthy and extensive. In 1966, the elections took place after a civil uprising had generated worldwide interest and the contest had pitted the country's dominant political figures—Balaguer and Bosch—head on in essentially a two-man race. A comparatively small vote this year was consistent with slow-starting campaigns and the widespread expectation that Balaguer would win. PRD abstention, although significant, was only a contributing factor to the low turnout.

The PRD stand is also somewhat undercut by the election results in the capital, where its strength is the greatest. The popular incumbent mayor, a former member of Balaguer's Reformist Party who broke with the President and ran on an opposition ticket, received outright PRD support but lost a close race to the President's mayoral candidate. Balaguer himself amassed a surprising plurality in the Santo Domingo environs, an area where he lost badly in 1966.

The President's opponents are impugning the results in a number of areas, but their charges are pro forma. The Central Electoral Board is unlikely to uphold the accusations, which would not, in any event, alter the over-all picture of an impressive Balaguer victory. Wessin's and Lora's initial threats to retaliate for the "massive fraud" were also made for the record, as they lack the political or military muscle to back their blustering. OAS observers present during the balloting gave the elections a clean bill of health.

The "New Government and Its Policies"

Given the relative stamp of approval accorded Balaguer's administration by the elections, no significant policy or personnel changes are

expected. Although the President may shuffle his advisers somewhat, familiar faces will soon reappear, and policy, centralized in the President's hands, will remain essentially unaltered.

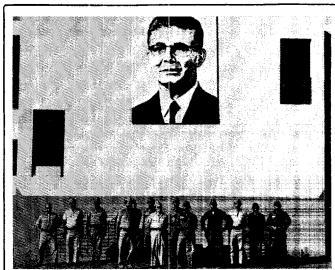
A new political party, the National Youth Movement (MNJ), also backed the President for re-election and contributed 47,000 votes to his win. Some of its members, even though they supported Balaguer as the only realistic choice to lead the country, are younger and more idealistic than the old guard in the President's Reformist Party and are optimistic that they will be able to effect policy changes in the new administration. They probably will be disappointed. The MNJ was in part a creature of Balaguer's own making, to serve as an auxiliary campaign vehicle in case the feuding that occurred last year in the Reformist Party got out of hand. It is doubtful that Balaquer regards it as much more than a temporary political expedient.

The President has announced that his new administration will be a "government of conciliation." This probably means that, as in 1966, he will offer some government posts to opposition party leaders. As was the case four years ago, it is quite likely that some of his foes, once they have finished licking their electoral wounds, will accept the proffered positions. In addition, there has been speculation that a new constitutional amendment may be passed to provide congressional seats to losing presidential and vice-presidential candidates. Such a move would be in keeping with Balaguer's "open-door" political policies and would cost him little.

None of these gestures, however, is likely to be translated into a meaningful role in the government for the opposition. For the most part, Balaguer's opponents have evinced little interest in the more constructive aspects of opposition leadership. The President has helped to reinforce this tendency by riding roughshod over opposition legislators and by relying on the military as the ultimate political deterrent.

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No major shake-up in the military seems likely. Balaguer has every reason to be satisfied with the armed forces' performance, despite the political problems his overzealous, antileft security forces occasionally cause him when their



Balaguer's "apolitical" military: a provincial military fort decorated for the campaign

more brutal acts are publicized. Balaguer has, in any event, been relatively successful in side-stepping responsibility for the acts of what he terms "uncontrollables." Some of the military commanders who blatantly interfered with political campaigning in their areas were temporarily removed after Balaguer stepped down from the presidency, but they are once again in place. Any military changes following the inauguration probably will be an extension of the President's policy of using transfers to balance off rival military cliques.

Balaguer probably regards his policies as successful and, viewed from his perspective after years under Trujillo, progressive. His extensive public works program, assailed by critics as a piecemeal effort instead of the sweeping changes necessary for "meaningful reform," has been a

successful political expedient and has held down discontent. Balaguer's modest land reform program compares favorably with Bosch's efforts early in his term in 1963, and Balaguer gets every inch of political mileage from such efforts. Even in the cities, where problems are insurmountable over the short term (unemployment is now 25-30 percent), Balaguer's combined emasculation of opposition unions and his promotion of business and foreign investment have made for steady, if unspectacular, economic growth uninterrupted by costly strikes. Labor dissent has focused on the administration's austerity program, but the President's pledge to ease controls and allow wage increases may also give him further breathing room in the urban areas.

Economic prospects over the short term are favorable, with GNP expected to rise about six percent annually over the next two years. US assistance has played an important part in the economic revival since the dislocation of 1965, and continued high US import quotas for the sugar crop will be necessary for substantial growth. A good share of the credit for the improvement, however, belongs to the administration for establishing a stable political climate and promoting investment opportunities. The expected economic progress will help to ease some of the political pressure on Balaquer.

The Threat to Stability

The voting made evident that the center and right, including business interests and the military, remain generally satisfied with Balaguer's performance. The conservative dissenters, such as Lora and Wessin, succeeded in demonstrating only that they presently do not have the resources necessary to undermine Balaguer. A serious threat to the government would require the participation of the right, but before the military would consider an alternative to Balaguer, the left would have to cause public order problems serious enough to strain the armed forces' capabilities. The forces on the left recognize this, and their strategy is designed to galvanize the right

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Pre-election PRD-supported rally in Santo Domingo

into action. Open dissent comes primarily from labor, the Communists, and Bosch's PRD.

Labor violence, aggravated by slum pressures in the capital, is a persistent danger. Minor work stoppages by the transport unions, which are subject to significant leftist influence, have been a handy political tool for Balaguer's foes. His enemies, however, have not been able to move from such walkouts to a more widespread strike. The left, including the PRD, no longer can claim the strength in union circles that it had a few years ago. Balaguer

the military to raid the headquarters of recalcitrant union chiefs in order to head off antigovernment activity.

The Communists suffer from a constantly splintering leadership that prevents their movement from achieving full effectiveness. An exception has been the recent activities of the Dominican Popular Movement (MPD), a violence-oriented group numbering about 300, which al-

most certainly was responsible for the successful kidnaping and ransoming of the US air attaché in March. It has also carried out most of the recent military and police assassinations. The MPD and other Communist groups, utilizing hard-core cadres and calling on some student support, have proved they can cause substantial public order problems and initiate bloody encounters with police. They will probably continue to do so, but their capabilities limit them to hit-and-run tactics. With Balaquer in power for another four years, the Communists may find that a hardened attitude on the part of the military, which is no longer subject to the public scrutiny it received during the campaign, will force them into a more defensive posture. Balaguer has been able to close off their student support on several occasions by shutting schools without stimulating serious protests.

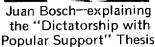
The Dominican Revolutionary Party

The PRD remains the major opposition political force, if only because of the other parties'

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poor electoral performances. It can still rely on substantial support in the urban areas, which no other opposition party can do. In the capital of Santo Domingo, a PRD-supported rally attracted the largest crowd of the entire campaign, even though the party was not running. There was some truth to PRD allegations that the government refused to issue demonstration permits to the party for fear of the crowds it might draw. So long as the magnetic Bosch remains at the party's helm, the PRD will continue to be a potentially explosive force.







The party has moved increasingly to the left in recent years, a trend that is likely to continue. Party policy at present is ill-defined and is drifting toward Bosch's radical "Dictatorship with Popular Support" thesis for want of a clear alternative. This thesis rejects representative democracy as a failure in Latin America and promises the establishment of a vague, popular dictatorship that will represent the masses. The party now has removed itself from the legitimate political arena for at least the next four years; the realization that the party probably could not have defeated Balaguer under any circumstances undoubtedly played a part in its decision to abstain. Publicly, the party reasoned that its candidates would have been harassed by the military, probably defrauded of votes, and in any event not allowed to take office if it had won. The military's antagonism toward the PRD, however, has not changed markedly since 1966, when the party ran candidates, and the decision to withdraw is reflective not of altered conditions but of the party's frustration and drift to the left. The unrealistic abstentionist policy, which seems to lead to a political dead end, in conjunction with the return from self-imposed exile of party leader Bosch, has raised serious doubts about the party's ultimate intentions.

Bosch's unexpected return has been attributed both to a deal with the Communists to help lead a revolution and to a bargain with Balaguer to help him win re-election. Neither explanation is convincing. More likely, the many party appeals calling on him to return as the only person capable of leading the party and the nation in a time of crisis struck a responsive chord in the egotistical Bosch. The PRD leader, however, found the Dominican situation considerably less tense than the revolutionary fever pitch he had been led to expect while in Europe.

Bosch's newly imposed leadership, like the man, has been filled with contradictions, and the party is still groping for an answer to its internal problems. The decision to abstain, a vacillating affair that was not uniformly enforced, garnered only questionable prestige for the party, and resulted in no patronage. Bosch's presence has to some extent papered over the growing rift between party radicals and moderates, but only temporarily. Soft liners, including many of the party's prestigious members, must be decidedly unhappy with PRD strategy. They may remain in the party for want of any other place to go, but they are likely to withdraw increasingly from party activities. Younger radicals, also restive, are dissatisfied with Bosch's long-term, theoretical explanation of the coming revolution.

From a tactical point of view, it will be increasingly difficult for the PRD to avoid close contact with the Communists. Over the past 18 months there has been increased cooperation between the PRD and several Communist parties at

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almost all levels. Although Bosch has warned that the party must not drift into the illegal Communist circle and fall victim to the political snare the government has set, it seems likely that the trend will continue. Like the Communists, the PRD now lacks legitimate representation and will be forced to try to incite and focus on popular discontent in order to make political capital and provide a forum. Other avenues are limited. The party could attempt to revive its atrophied labor bureaus and other pressure groups, but it is likely to have little success in these areas because it now lacks sources of patronage and finance. The PRD's decision to abstain from municipal elections in 1968, along with its subsequent loss of the municipal government in Santo Domingo and its accompanying patronage, has been one of the very reasons for its dwindling labor support.

If Bosch transfers his radical philosophizing into formal PRD policy, he will hand the government the excuse it needs to crack down on the party. Balaguer has refrained from any open move against the PRD, preferring to utilize his divideand-conquer tactics rather than risk unifying the party and possibly stirring up its popular support with an overt move. If he intends to step down in 1974, however, he will want to leave the PRD in as weak a position as possible and with little chance of winning an election. Given the proclivity of many of the military chiefs to regard the PRD as little better than Communist, the party may find that its decision to operate outside the formal political arena has opened it to a greater risk of repression.

Bosch remains one of the keys to PRD fortunes. Whether he will remain in the country is problematical. He has never distinguished himself in administrative or organizational matters, and when the election fever permanently subsides after the August inauguration, he may once again find the mundane task of running an out-of-power party for four years a bit tedious. If he again decides to leave the country, no matter what the ostensible reasons, both his prestige and that of the party will suffer. The PRD is not apt

to disappear as long as it has the mystique of Bosch and the revolutionary rhetoric of 1965 to call upon; indeed, Dominican political parties need little more than the name of a famous personality to survive. The party's prospects are clouded, at best, however. The possibility of an internal split has been enhanced by recent events, and Bosch's departure could hasten a break between dissatisfied younger radicals and some of the party's old guard. Even if the party remains intact, it is bound to lapse into organizational disarray.

With the elections behind, Balaguer's frustrated opponents quickly turned their attention to the OAS General Assembly meeting, which was scheduled to be held in Santo Domingo in late June. The left, led by Juan Bosch, kicked off the protests against the conclave, and almost all political groups outside the government joined in the anti-OAS chorus. Student-led demonstrations resulted in almost daily casualties and, in the face of further violence, OAS representatives decided to move the meeting to Washington. The decision to shift the site removed a short-term irritant from government-opposition relations and should have a temporary calming effect. Over a longer period, the left will be buoyed by what it regards as an unqualified victory, and it will be even more prone to use civil disorder to exert pressure on the administration.

Like the OAS meeting, Balaguer's inauguration on 16 August will be an almost inevitable target of protests, but these are likely to be more vocal than violent. With the international spotlight now removed from Santo Domingo, the Balaguer government will be less reluctant to deal firmly with any further attempts to promote disorder.

Prospects

Possibly the greatest threat to the administration is the unorganized popular dissatisfaction with the political system. The increased disgruntlement has been most apparent among

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youth. Secondary school disturbances have been mounting, and the level of student violence is higher than at any time since the 1965 crisis. In part, this has been due to the catalytic effect of the elections, but it is also symptomatic of a deeper trend. Cities in the interior, not normally affected by the political life centered on the capital, are being drawn into the political system. Santiago, the nation's second largest city and traditionally a quiet bastion of conservative business interests, was the site of some of the most serious military-civilian clashes during the campaign. The trend is evident in the countryside as well, highlighted by more frequent land seizures, some increased activity on the part of the church, and similarly an alienation of youth. This alienation probably also contributed to this year's low voter turnout.

Thus far, however, dissatisfaction remains organizationally adrift. There has been no widespread flocking to the PRD banner in the cities, and peasant unions remain small and ineffective. Moreover, as long as the opposition concentrates on personalities rather than programs and exhausts its resources in revolutionary rhetoric, the dissent probably will remain disturbing but amorphous. As such, it appears to be a manageable, short-term problem.

Conclusions

Balaguer begins his new term with impressive credits that should, at the very least, bring him some respite from serious political attack. The all-important military, if not ideologically committed to constitutional government, is nonetheless ready to stick with a winner. Balaquer will not hesitate to use the security forces as a repressive weapon, despite the probability of increased civilian and military casualties, in order to control the extreme left's expected attempts to incite disorder. The President's popular mandate is impressive under the circumstances. His opponents on the right have been temporarily chastened by their poor showing, and the leftist PRD will have to solve its tactical problem of how to operate while in political limbo before it will constitute a serious threat. If the present divisiveness in party ranks is any indication, much of the PRD's energies may be dissipated in internal feuding. Despite these assets for the administration, the party's decision to operate outside the legal political framework means that the government's public order problems, already significant, probably will increase during the next four-year term.

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